

# Understanding Sunnyvale's 2004/2005 Adopted Budget

## SUNNYVALE'S APPROACH TO BUDGETING

The City of Sunnyvale's unique way of budgeting is part of the City's internationally recognized Planning and Management System. The Sunnyvale budget looks ahead for many years, anticipating income and expenses over a long-term perspective.

During the development of the FY 2004/2005 budget, the City amended its budget process in order to allow for a comprehensive review and prioritization of City services. Through special City Council meetings all of the City's stakeholders were able to take a more active role in the development of this year's budget with nearly 600 City services reviewed and prioritized by the City Council.

As a result of this new budgetary process the City Manager has proposed a number of fiscal strategies that will be analyzed over the upcoming fiscal year. These strategies will position the City such that quality services can be sustained in the years to come.

## EXPENDITURES

### Operating Budget

Approximately 85% of the FY 2004/2005 budget will go toward the provision of services that ensure Sunnyvale's citizens and businesses enjoy well-maintained streets, clean parks, first-rate library services and a safe, secure community. The funds for these services are allocated into a spending plan called the Operating Budget. This plan is revised every other year to take into account changes in inflation, changes in conditions in the community, and changes in the amount of services necessary to maintain the City's standards of excellence.

### Project Budget

About 12% of this year's budget will go toward projects. Just as individuals or businesses may set aside money for home repairs or replacement of an aging car, the City plans ahead for long-term maintenance, renovation and repair, improvements, and major additions. These efforts are funded through the City's Projects Budget. Through the Projects Budget the City proactively addresses long-term needs by identifying project costs, future operating costs,

and any outside funding sources. Thus the City has already determined how it will pay for many of its long-term renovation and replacement needs. The City also completed a number of major capital projects during the past fiscal year including the Downtown City Plaza and construction of a new Senior Center on the grounds of the City's Community Center.

## Debt

Just as individuals may borrow money for a house or car, the City occasionally borrows funds to go toward major improvements. For instance, the City is currently paying off debt for funds borrowed to improve the City's recycling operations (SMaRT® Station). The debt payments are funded by fees paid by users of the particular service. The City's debt level is low, at about 3% of the total budget.

## REVENUES

### Sources of Funds

Most of the money that supports City services and projects comes from either fees paid by users of services or taxes. User fees include payments for water, sewer, garbage, and recreation services. Utility services are supported entirely through user fees. User fees are the single largest source of City revenue, making up about 41% of the budget. The majority of City tax revenue comes from sales taxes and property taxes, even though the City only receives about 1 cent of the sales tax and about 13 cents of each dollar of property tax.

About 14% of the City's funds for Fiscal Year 2004/2005 will come from state revenues, such as the Motor Vehicle License Fee or grants from other government agencies. The City obtains funds from various other sources, including interest on its investments.

## For More Information

More information about Sunnyvale's FY 2004/2005 adopted budget is available through the Department of Finance link at the City's website <http://sunnyvale.ca.gov>.



Questions/comments please contact:

City of Sunnyvale  
Department of Finance  
650 West Olive Avenue  
P.O. Box 3707  
Sunnyvale, CA 94088

or

call (408) 730-7380

The Adopted FY 2004/2005 Budget  
is available online at:  
<http://sunnyvale.ca.gov/>

CITY OF  
SUNNYVALE

FY 2004/2005

ADOPTED  
BUDGET  
SUMMARY



# Fiscal Year 2004/2005 Adopted Budget Summary

## TOTAL ESTIMATED REVENUES

|  |                           |
|--|---------------------------|
| <b>USER FEES (41%)</b>                           | <b>.....\$89,809,804</b>  |
| Garbage Fees .....                               | 25,662,165                |
| Water Fees.....                                  | 21,705,486                |
| Sewer Fees .....                                 | 16,736,662                |
| Recreation Service .....                         | 7,125,217                 |
| Franchises .....                                 | 7,812,889                 |
| Rents and Concessions .....                      | 3,726,848                 |
| Permits and Licenses.....                        | 3,685,368                 |
| Other Fees and Services.....                     | 2,655,276                 |
| Fines and Forfeitures .....                      | 699,893                   |
| <b>TAXES (33%)</b>                               | <b>.....\$72,893,197</b>  |
| Property Tax .....                               | 39,273,979                |
| Sales Tax .....                                  | 18,330,505                |
| Utility Users Tax .....                          | 5,711,749                 |
| Hotel and Motel Tax .....                        | 5,034,831                 |
| Gas Tax.....                                     | 2,540,873                 |
| Other Taxes.....                                 | 2,001,260                 |
| <b>INTERGOVERNMENTAL (14%)</b>                   | <b>.....\$30,464,514</b>  |
| Workforce Investment Act Grant .....             | 9,273,000                 |
| SMaRT Station Operations/Reimbursement.....      | 9,091,595                 |
| Federal Grants .....                             | 6,425,997                 |
| Motor Vehicle License Fees .....                 | 2,620,423                 |
| Other Agencies Contributions.....                | 1,946,759                 |
| Community Development Block Grant.....           | 1,504,000                 |
| State Shared Revenues .....                      | 902,463                   |
| HOME Program Grant.....                          | 777,156                   |
| State Budget Reductions.....                     | (2,076,879)               |
| <b>OTHER (5%)</b>                                | <b>.....\$11,191,654</b>  |
| Interest Income.....                             | 4,675,681                 |
| Other Revenues.....                              | 5,965,288                 |
| SMaRT Station Revenues.....                      | 550,685                   |
| <b>USE OF RESERVES (7%)</b>                      | <b>.....\$16,211,469</b>  |
| <hr/>  |                           |
| <b>TOTAL ESTIMATED REVENUES</b>                  | <b>.....\$220,570,638</b> |
| <i>(Excludes Internal Service Fund revenues)</i> |                           |

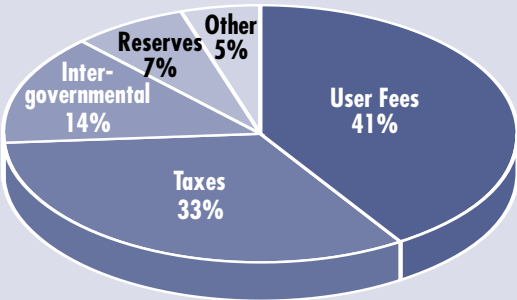
## TOTAL APPROPRIATIONS

|   |                          |
|---|--------------------------|
| <b>OPERATING BUDGET (85%):</b>                    |                          |
| <b>CITY MANAGER’S OFFICE</b>                      | <b>.....\$3,615,387</b>  |
| <b>CITY ATTORNEY’S OFFICE</b>                     | <b>.....\$1,297,618</b>  |
| <b>CITY COUNCIL</b>                               | <b>.....\$332,699</b>    |
| <b>COMMUNITY DEVELOPMENT DEPARTMENT</b>           | <b>.....\$6,467,842</b>  |
| Development Services.....                         | 3,592,281                |
| Neighborhood Preservation .....                   | 775,933                  |
| Economic Prosperity.....                          | 716,822                  |
| Housing and Human Services.....                   | 701,992                  |
| Community Planning.....                           | 680,814                  |
| <b>EMPLOYMENT DEVELOPMENT DEPARTMENT</b>          | <b>.....\$10,060,213</b> |
| <b>FINANCE DEPARTMENT</b>                         | <b>.....\$6,702,784</b>  |
| <b>HUMAN RESOURCES DEPARTMENT</b>                 | <b>.....\$1,632,379</b>  |
| <b>LIBRARY DEPARTMENT</b>                         | <b>.....\$6,794,498</b>  |
| <b>PARKS AND RECREATION DEPARTMENT</b>            | <b>.....\$17,197,006</b> |
| Recreation .....                                  | 7,557,845                |
| Parks and Open Space Management.....              | 6,112,772                |
| Golf Course Maintenance and Golf Shop Services... | 2,913,582                |
| Administrative Services.....                      | 612,807                  |
| <b>PUBLIC SAFETY DEPARTMENT</b>                   | <b>.....\$59,186,994</b> |
| Police Services .....                             | 18,671,289               |
| Fire Services .....                               | 17,674,859               |
| Special Operations.....                           | 5,231,922                |
| Public Safety Administration.....                 | 4,713,341                |
| Technical Services.....                           | 4,695,315                |
| Personnel and Training Services .....             | 4,486,868                |
| Community Safety Services .....                   | 3,713,400                |

|  |                            |
|--|----------------------------|
| <b>PUBLIC WORKS DEPARTMENT</b>                   | <b>.....\$75,834,563</b>   |
| Refuse Collection and Disposal .....             | 17,965,076                 |
| Water Supply and Distribution .....              | 17,194,423                 |
| SMaRT Station Operations .....                   | 16,299,624                 |
| Wastewater Management.....                       | 12,689,019                 |
| Pavement Operations.....                         | 4,449,670                  |
| Transportation Operations .....                  | 2,377,663                  |
| Street Tree Services .....                       | 1,318,798                  |
| Right-of-Way Services.....                       | 1,252,318                  |
| Concrete Maintenance.....                        | 1,070,661                  |
| Public Works Support Services.....               | 586,234                    |
| Engineering Services .....                       | 465,488                    |
| Parking District Landscaping .....               | 83,537                     |
| Public Parking Lot Maintenance .....             | 82,051                     |
| <b>FISCAL STRATEGIES</b>                         | <b>.....(\$1,100,000)</b>  |
| <hr/>  |                            |
| <b>TOTAL OPERATING BUDGET</b> .....              | <b>\$188,021,983</b>       |
| <i>(Excludes Internal Service Fund expenses)</i> |                            |
| <b>PROJECTS BUDGET (12%)</b>                     | <b>.....\$25,720,419</b>   |
| Infrastructure Projects.....                     | 13,302,691                 |
| Special Projects.....                            | 4,960,101                  |
| Capital Projects .....                           | 3,842,580                  |
| Lease Payments .....                             | 1,545,330                  |
| Project Administration .....                     | 1,613,993                  |
| Outside Group Funding .....                      | 455,724                    |
| <b>DEBT (3%)</b>                                 | <b>.....\$6,828,236</b>    |
| <hr/>  |                            |
| <b>TOTAL ADOPTED FISCAL YEAR</b>                 |                            |
| <b>2004/2005 BUDGET</b>                          | <b>.....\$ 220,570,638</b> |

## SUNNYVALE REVENUE SOURCES

**FY 2004/2005 BUDGET**  
**Total: \$220,570,638**



## SUNNYVALE EXPENDITURES

**FY 2004/2005 BUDGET**  
**Total: \$220,570,638**

